

Application number: 09/396005

Art Unit: 3621

Applicant: Khai Hee Kwan

Examiner: Evens Augustin

Title: Method, apparatus and program to make payment in any currencies through a communication network system using prepaid cards

### ARGUMENT

#### A. Claim Rejection under 35 USC 112 para 2 and 35 USC 101 ( page 2 & 3 of Action Letter)

The examiner had reopened prosecution in Action Letter mailed Nov 26 2008. The applicant had considered the issues from the last 2 Action Letters and summarized them as follows:

Appellant's Comments	Action Letter dated 26 Nov 2008	Action Letter dated July 9 2008	Final Action Letter Oct 9 2007
		Nil	Response to Arguments
		Nil	Claims Interpretation
NEW	35 USC 112 Para 2	Nil	35 USC 112 Para 1
Involves the same claims previously examined but rephrased differently.	35 USC 112 Para 2	35 USC 112 Para 2	35 USC 112 Para 2
		Nil	35 USC 102 (Katz)
same	35 USC 101	35 USC 101	
same	35 USC 103 (using Katz & Walker). However only claims 26,36,41 uses the combination.	35 USC 103 (using Katz & Walker). However only claims 26,36,41 uses the combination.	

It is noted that the only NEW issue here is 35 USC 112 Para 2 involving Claim 12-14, 26, 33 as stated at page 2 of the current action letter. The examiner argues that "However, the body of the claim does not provide any structure pertaining to the apparatus.....As such, claim 13 is being interpreted as a method claim."

The applicant/appellant submits that at all times the claim 13 is admittedly a method claim. Please see Appeal Brief dated 17 Sept 2008 at page 3 under title " Summary of claimed subject matter". The examiner then tied the fact that claim 13 is a method claim and argued that as there is no structure then claim 13 is rejected under 35 USC 101. ( see

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para 4-7 at page 3 of Action Letter). Without admitting the correctness of the Examiner's assertion, the applicant/appellant have now included both "Internet System", "Host Server" in the body of the Claim 13. Previously, it has been argued that the elements are found in the preamble and must be read with the body if it gives life etc. ( See Schumer v. Lab. Computer Sys., Inc., 308 F.3d 1304, 1310, 64 USPQ2d 1832, 1837 (Fed. Cir. 2002))  
5 For the sake of expediting this prosecution (which is getting nowhere – after 2 reopening of prosecutions) the applicant/appellant considers if the examiner prefers form over substance then the applicant/appellant will oblige.

10 B. Whether the examiner's Claim rejection under 35 USC 112 (2<sup>nd</sup> Para) at page 3 & 4 of Action Letter is sustainable ?

Firstly the term 'R' is a factor related to flexibility in currency stored refers to asking  
15 whether the user wish to store in local or foreign currency, if it is local then use variable '1' else the currency factor/exchange. This is also explained in the specification in page 31 and R is related to whether the user wish to store in local or other currency. Therefore one skilled in the art will see no difficulty in interpreting a yes (use '1') or no answer (use currency exchange) and the examiner's example of  $Y=X+2$  is not appropriate  
20 (misleading) for this factor. Actually the Applicant/appellant is unsure where the examiner found " $Y=X+2$ " ?

Further it is also necessary to reason from one ordinary skilled in the art that such claimed language in light of the supporting specification would not be able to ascertain  
25 with a reasonable degree of precision and particularity the particular area set out and circumscribed by the claims. ( Ex parte Wu, 10 USPQ 2d 2031, 2033( BPAI 1989)). The appellant respectfully submits the examiner had not discharge this initial burden.

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C. Whether the examiner's Claim rejection under 35 USC 103(a) at page 4-8 is sustainable ?

5

Claim rejection under 35 USC 103(a).

(SUMMARY)

The examiner's assertions are respectfully rejected.

10 The examiner provided the prior art by Katz (US Patent 6424706) which relates to telecommunication-time (unit-minute) made transferable between subscribers and subscribers or non-subscribers. See abstract which states "A system and method for accessing the value associated with a pre-purchased amount of telecommunication-time for making telephone calls and for uses other than making telephone calls is provided".

15 There is no mentioned by Katz of transferring "stored funds". The examiner fails to show telecommunication-time (unit-minute) is inherently found to be FUNDS to one skilled in the art of telecommunication. The applicant submits there is a clear division alluding to this given Katz teaches having to convert the unit-minute to funds at a redemption office 202 or bank 221. If FUNDS are inherently as unit-minute then why is there a need to  
20 convert ?

It is also pertinent to note that Katz uses a prepaid CALLING card and not a prepaid card, the difference here is that a prepaid calling card is for making telephone calls (issued by telco) while a prepaid card is to make purchases. It is unknown at the time of this  
25 invention for calling card issued by telco could be used for purchase. There is nothing in

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the applicant's specification dealing with telecommunication which enable one skilled in the art to read a prepaid CASH card as a prepaid calling card and hence it would not be reasonable to read into the claims.

- 5 Even if a prepaid card can be used to make a telephone call (ie as a calling card), it does not mean a prepaid calling card in Katz could be used for purchases unless it is first converted to unit-minute and then converted to funds at office 202 or bank 221, a two stages process. In fact this is the essence of Katz's invention which is to make use of unused prepaid unit-minutes for purchases or other services other than making a phone
- 10 call but this is not the same as saying a prepaid calling card can be used as funds directly.

- Even if prepaid card is broad enough to include prepaid calling card (which is denied), the fact is that in this claimed invention at claim 13,34,39 the key element is "said stored funds is deposited from a prepaid card" and as submitted above, a prepaid calling card in
- 15 Katz is not capable of depositing funds as it could only provide unit-minutes for telecommunication. In Katz, funds are only recognized when unit-minutes leave the system and enter into some financial network or at the redemption office and not at the time of depositing.

- 20 Lastly, all the obviousness rejection should be withdrawn. Even when obviousness is based on a single prior art reference, there must be a showing of a suggestion or motivation to modify the teachings of that reference. See B.F. Goodrich Co. v. Aircraft Breaking Sys. Corp., 72 F.3d 1577, 1582, 37 USPQ2d 1314, 1318 (Fed. Cir. 1996). Save for Claims 26, 36,41, the examiner had not provided any motivation and therefore such
- 25 rejection is unsafe.

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**Claim 13, 34, 39**

The following Table A summarized the main differences between Katz and the claimed  
5 invention 13,34,39.

Items	Claimed Elements	Katz	Comments
1	a host server having a database to transfer stored funds (preamble)	uses a computer 343 having its own database 344 and a prepaid telco computer 172 also having its own database 173 of prepaid minute accounts stored. (See Fig 3A)	Katz's requires its unit-minute system 340 to <u>interface</u> with prepaid platform 170 each having their own computer cum databases. This means it needs 2 host servers (343,172) and 2 databases (173, 344) in contrast to claimed invention with database to transfer stored funds. Nothing in Katz teaches its database is capable to transfer stored funds.
2	said stored funds is deposited from a prepaid card <u>into an account linked to an user created identifier</u>	prepaid calling card or credit card or bank account are used to deposit or <u>prepaid stored value account such as telephone call minute accounts</u> (Col 4 lines 40-44)	Katz's cards can only depositing unit-minutes not <u>funds</u> . Credit cards/bank accounts are used to buy unit-minutes which are then deposit. Examiner made no mentioned of <u>user created identifier missing in Katz</u> .

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3	said transfer is made without interacting with said payee	In a preferred embodiment, after unit-minute transactions are completed, the system <u>notifies</u> both parties of the success of the transaction, and provides a unique transaction identifier that can be used for future reference and validation. (Col 8 line 48-50)	Since Katz has to provide an unique transaction identifier then there must be communication (ie interaction). The examiner used Col 8 lines 63-64 which deals with the hardware to make transfer but <u>no mention of without interaction with payee.</u>
4	independently of said prepaid card	using a smart card adapter in association with wireless device or PDA ( Col 21, line 50-55)	using the prepaid card as a store value which is contrary to storing funds in database
5	upon authenticating the payee's account identifier, instantly crediting the fund to the payee's account upon determining balance in the database associated with the payer account identifier and password is more than the fund for transfer;	Examiner provided Item F in page 5 of Action Letter.	No <u>instantly</u> crediting funds. As mentioned Katz deals with unit-minute, there is a need to convert and then to transfer to banking institutions etc. The action of relying on third party to carry the last leg of the transfer must necessarily means it is not instantly.
6	<u>instantly</u> debiting the balance associated with the payer's account identifier and password in the database with said fund transferred to said payee's account;	No mentioned by Katz or Examiner	No instantly.

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Discussion on Item 1 of Table A

The examiner provided item A and C at page 4 of Action Letter.

Fig 3A of Katz provides the entire system interconnection to satisfy a transfer of unit-  
5 minutes and linking to a financial network 223 and 365 to complete the conversion to  
funds (two stage process). As noted, Katz provides United Minute System (UMS) 340  
which is adapted to interface with prepaid platform 170. As taught by Katz the 'transfer'  
is done as explained at col 9 line 5 to line 25 and the applicant quotes "For instance, in a  
preferred embodiment, the present invention leverages existing prepaid minute accounts  
10 stored within a prepaid telephone platform, rather than replacing them with the  
invention's own minute accounts. Therefore, in order to perform the necessary unit-  
minute transactions, the unit-minute system must have read and write access to these  
accounts, and a converter for converting the existing prepaid minutes of the prepaid  
platform to the unit-minutes of the invention. Furthermore, any changes to data fields of  
15 the prepaid platform's minute account that are accessed by both the prepaid platform and  
unit-minute system must be made using a method that guarantees transactional integrity.  
Such access may be accomplished by integrating the transaction processing subsystem of  
the unit-minute system's computer system with the transaction processing subsystem of  
the prepaid platform by an adapter. Each system's transaction processing subsystem will  
20 in turn communicate with its respective database as needed to update any changed fields.  
Once the two systems are integrated in such a fashion, changes made by either system to  
such shared fields will be communicated to both systems in a transactionally safe and  
reliable fashion." (underlined mine)

25 From this teaching (Fig 3A) it is shown more than one host (UMS 340 and Prepaid  
Platform 170) and more than one database (173 and 344) are needed to effect a transfer of  
unit-minutes. Therefore at the material time of any 'transfer' it is NOT funds that is being

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transferred. It is also clear that by itself UMS 340 by itself cannot transfer any unit-minute as it depends on prepaid minutes from another database 173 (telco) to synchronize to its own database 344. This “interface” is said to be an advantage of the Katz’s system having its own database as able to leverage (something like piggy-back) on the telco’s prepaid database. The transaction process is for Katz’ system by accessing the telco’s prepaid database to read/write its data (being unit-minutes). This probably means the telco by itself could not do any transaction between accounts as it needed an external (Katz) system to manage this, otherwise the logically question is that why allow a third party to do this ? Then it is not difficult to conclude the state of the art in Katz time is that telco is not capable of doing any transaction between accounts unless aided by third party. Then this teaching clearly does not meet this claimed invention, as this claimed invention has no interface between two databases from two different host servers belonging to two different entities. There is not even a telco database as claimed. Even if there are more than ONE host server and hence more than ONE database, they are not ‘interfacing’ two separate entities (ie telco and Katz’s UMS).

#### Discussion on Item 2 of Table A

Katz teaches using a prepaid calling card to deposit unit-minutes or a credit card ( col 6 line 33) or bank account (col 6 line 44) and uses a stored value accounts such as telephone call minute account (col 4 line 43). However, these facilities do not deposit FUNDS rather they are deposited as prepaid minutes in the prepaid platform 173 and unit-minutes in the database 344 of UMS 340 ( See Fig 3A). Funds from these facilities are used to purchase unit-minutes but it does not necessarily shows depositing funds. It is well known that a telco must uses unit-minutes as a measurement of its service system. The main function of a telecommunication service provider is to provide



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telecommunication services and therefore its unit of measurement must be in minutes and not funds. Further, Katz's invention is to adapt any unused unit-minutes to do something else other than making a phone call without modifying the function of a telco in contrast with this invention where it is designed to transfer funds deposited by a prepaid card.

5 This clearly teaches unit-minutes are stored at all material time instead of FUNDS.

The examiner provided at item G page 5 "The account is which funds are being transferred from is prepaid stored value account" and supported this by col 4, line 42 which also states "...such as telephone call minute accounts containing

10 telecommunication-time units, over a network is provided". The examiner provided no reasoning to show how one skilled in the art of telecommunication must inherently see call minutes accounts containing telecommunication-time units must necessarily be stored funds. It is submitted that because the examiner fails to show that a prepaid stored value account must necessary store funds in a telecommunication service provider,  
15 inherency is not found. Furthermore, if funds is stored instead of telecommunication-time units, then this would contradict the example given by Katz for the need to convert to funds through the financial network ('conversion').

The examiner also failed to show "into an account linked to an user created identifier". It  
20 is clear that the subscriber in Katz is given a telephone number as the identifier ( Katz Col 7 line 6). It is submitted it is not known that this telephone number is an user created identifier in the telecommunication art.

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Discussion on Item 3 of Table A

As mentioned in Katz because the first stage of the transfer concerns unit-minutes, then it is necessary to redeem to money/funds. Katz clearly provides “transfer” to mean  
5 transferring of unit-minutes. For example, at Col 21, line 9-10, as is written “ Given the ability to transfer and redeem unit-minutes...”.

In reference to “said transfer is made without interacting with said payee” this is not met by Katz as it is shown after a payer has transferred his unit-minute then the payee has to  
10 be notified (unique identifier) to redeem the converted unit-minutes using said unique identifier (Col 8 line 47-51) . This notification of said identifier for that transaction which requires interacting with a party obviously does not meet this claimed invention’s element in item 3. If the payee is not a subscriber, then payer will have to inform them directly (col 19, line 34-40).

15

The examiner in reply only shows “ The prior art invention makes an electronic funds transfer “ and provided col 8, lines 63-64. (See item H at page 5) The evidence only shows Katz’s invention is connected to financial networks such as ATM/POS, FedWire and CHIPS which is capable of making an electronic funds transfer but there is no  
20 evidence here to show without interacting with payee. In fact, these networks as shown ATM/POS (233) and Intrabank network (365) in Fig 3B would require some interaction between the different member banks of the network which collectively are payers and payees on behalf of their customers such as in ACH or through SWIFT.

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The examiner concluded by stating “therefore the actual transfer is made without any user interaction and regardless of the origination of source funds”. The applicant considers this conclusion to be limited to the financial network as opposed to Katz’s telecommunication network which is not capable of transferring funds in view to “actual transfer” to denote transfer of funds. If this is the case then it should also be noted this claimed invention requires such transfer to be made “INSTANTLY” by crediting and debiting the nominated accounts. It is well known that ACH/SWIFT/CHIPS (collectively financial network) is an overnight batch process (Col 10 line 10-15). The word “daily” would appear to be longer than instantly.

10

If the applicant is wrong (which is denied) and actual transfer is referencing transfer of unit-minutes then it is clear Katz teaches interacting with payee as above (providing reference to redeem – see Col 8 line 47-51) and as argued transferring unit-minutes does not meet the requirement for transfer of funds in view of one skilled in the art of telecommunication.

15

As for redemption, even if these financial networks managed to avoid interacting with the final payee during the inter-bank transfer (ACH/SWIFT/CHIPS networks), it is crystal clear that whenever there is a redemption it must necessarily involve interacting with the payee since by definition, a redemption is an act done by said payee (For example see Fig 5A at BOX 504 providing redemption password to employee wherein password was from sender BOX 503). In Fig 6 where a subscriber is redeeming his own unit-minute (ie making himself both as payer and payee) via the financial network then it clearly shows him interacting by firstly inserting his ATM card.

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Even if the applicant is wrong above (which is denied), the logical conclusion is that the examiner's sole reliance on these financial networks to show there is no interaction is selective reasoning as it ignores Katz's collective teaching. As mentioned by Katz, these financial networks interfaced with his telecommunication entities (not isolated) and his

5 UMC to allow the redemption part of the process since cash is needed. There could not be ANY transfer within the financial network had it not been the initial unit-minutes transfer first which in-between interacted by sending out notification (see col 8 line 48-50) and in order to convert them, said financial networks were chosen to cover the redemption of its unit-minutes. It is also undisputed that there is also interaction during redemption phase

10 by the payee and a need to interface with telco's computer/database. So in totality, Katz taught interaction and hence it is flawed to select only the financial network (which is part of the overall network) to reveal without interacting. Even if this could stand, such financial network (say ACH) is not able to satisfy the "instantly" element in effecting a transfer. Hence, either way it is clear if "transfer is made without interacting with said

15 payee" and "funds" are met using the financial network alone, then "instantly" is not. On the other hand, if "instantly" is met by using Katz's telecommunication database, then "transfer is made without interacting with said payee" and "funds" are not meet.

Discussion on Item 5 & 6 of Table A

20

In the claimed invention, the funds need to debit/credit funds instantly and it is clear from the forgoing discussion this is not found in Katz. In fact, Katz merely transfer the unit-minutes follow by notification to the payee which is then followed by redemption through the financial network. This could not be instantly done to reach the stage of FUNDS.

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In conclusion, given the above items 1,2,3,5,6 are not found in Katz and contradicts item 4 (where a smart card is used), the applicant respectfully submits obviousness rejection is not appropriate. It is also not appropriate given that the examiner had failed to show why one skilled in the art would modify from transferring unit minutes to funds within a telecommunication network. The examiner should and ought to explain why one skilled in the art would also be motivated to include an account linked to an user created identifier. Clearly this obviousness rejection is premature and should be withdrawn. Even when obviousness is based on a single prior art reference, there must be a showing of a suggestion or motivation to modify the teachings of that reference. See B.F. Goodrich Co. v. Aircraft Breaking Sys. Corp., 72 F.3d 1577, 1582, 37 USPQ2d 1314, 1318 (Fed. Cir. 1996).

**Claims 14, 35,40**

15

These claims deal with storing and linking card amount to an user account identifier. The examiner only made mentioned of “whereby upon completion of storing and linking said prepaid card is valueless” as page 5 item I. The examiner provided col 2 lines 25-26, which provides “First, subscriber 100 inputs their unique subscriber ID, which in the case of long distance prepaid systems is typically a temporary identifier, printed on the card itself and good until all of the minutes associated with the card are used up.”

Understandably this evidence is referring to long distance prepaid cards and the identifier is good until all minutes associated with the card is used up which the applicant does not dispute. However, how is this connected to storing and linking card amount to an user account identifier which by the way is NOT a temporary identifier ? In this claimed invention, a prepaid card having an amount and identifier is stored and linked to an user

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account identifier which on completion, the said card is valueless and not by using up the minutes associated in long distance calls. Is there is a difference between using up the funds in a prepaid card rendering the card valueless (examiner's suggestion) to storing and linking those funds to an user account identifier as claimed thereby rendering said  
5 card valueless. The user also has to create his own identifier in the process which obviously has to be permanent to distinguish the identifier on the card.

Furthermore, the amount in this claimed invention is stored by calculating its face amount and linking it to user created identifier (NOT card identifier). At the end the stored  
10 amount is still available but only through the user identifier and NOT card identifier. Hence, the card is valueless. The applicant respectfully submits Katz fails to teach this and hence the claims should be allowed.

No other rejections of the other elements in claims 14,35,40 were made by the examiner.  
15 To reject the claims, ALL elements in the claims must be shown by the examiner which is not performed in this instance and the applicant could only conclude this failure by the examiner must mean the other elements are not found in Katz. Furthermore without a motivation the examiner had not even raise the threshold of prima facie. Even when obviousness is based on a single prior art reference, there must be a showing of a  
20 suggestion or motivation to modify the teachings of that reference. See B.F. Goodrich Co. v. Aircraft Breaking Sys. Corp., 72 F.3d 1577, 1582, 37 USPQ2d 1314, 1318 (Fed. Cir. 1996).

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**Claims 26, 36,41**

The examiner says that Walker teaches a system that randomly adds value to some gift  
5 certificates, thereby increasing both the real and apparent value of the certificate both to the buyer and the redeemer. ( Action Letter page 6-7).

The Appellant respectfully submits that this claimed invention is NOT about randomness, its formulation and calculated values are precise and not in any way random. While it is  
10 not doubted one skilled in the art could pursue in whatever ways with a reasonable expectation of success, this by itself could not be motivated when the entire foundation is wrong. The examiner had not explained how a randomness could provide the motivation to morph into a complicated formulation which depends on user input to reach a final value to STORE the funds as contrast to increasing the value albeit randomly of gift  
15 certificate's value. There is a clear failure of connection between storing value from a prepaid card for later day use by a formula to teaching of randomly increasing the value of gift certificates. The appellant respectfully disagree with the examiner's which put no reason at all how Walker's gift certificates would add to Katz's teaching when it is clear Katz's is only interested in unit minutes accounts rather than monetary funds. Katz's need  
20 unit minutes as it was designed to access the telco's database which uses unit minutes as a measure of its service. Therefore, it is clear the examiner had failed to show the motivation on why one skilled in the art would use the two prior arts to reach the claimed invention, when there is clearly no connection between the two. In fact, its bizarre to suggest using prepaid cards/gift certificates which values increases from time to time  
25 randomly as it will surely bankrupt the telco providing such services.

The appellant respectfully ask these claims to be allowed.

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**Claims 33,38,43**

These claims state the payer is unknown to said host server. At first glance the applicant  
5 is unable to decipher whether the examiner has provided any rejection for this element.  
On second glance, the examiner noted in item B at page 4 with the words “ since the  
system only asks payer to enter ID and password, password true identity ( name, address  
and birth date) is not known to the system in response to “prompting payer to input  
payer’s account identifier and password” element found in Claim 13,34,39.

10

With respect, this type of rejection is unclear and it appears to be a conclusion in reading  
col 17, lines 50-51 in Katz which states “If the caller ID information is not available in  
decision 402, a step 403 prompts the caller to input their subscriber ID and PIN.”

15 By way of a background, a telephony system usually provides caller ID on demand  
(appears on the telephone LCD ) when caller ID is used but obviously this caller ID  
would not be available when the user provides a computer to access the system or any  
device that does not go through telephone exchange able to transmit this caller ID. That is  
the reason for Katz to teach asking for subscriber ID and PIN. However, does this mean  
20 by asking subscriber ID and PIN, the subscriber is unknown to the host server ? Note that  
subscriber ID is denoted as telephone number ( Col 7 line 6). This is tantamount to saying  
the telephony operator has no record of its customers’ identities which is difficult to  
believe.

25 The applicant would respectfully argued that since Katz uses a system that is integrated to  
prepaid telephony platform and have access to its database 173 ( See Col 9 line 5 to line  
25 and Fig 3A) and hence these subscribers in said database 344 are subscribers to said  
telephony platform 170, it is very unlikely these subscribers are unknown to the



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telephony service provider 170. The fact that a service is prepaid does not mean the telephone company does not ask for identification when opening an telephone account, nor is this a known practice.

5 Even non-subscribers will be allocated a temporary subscriber ID for a specific transaction. ( See Col 7 line 29). Furthermore, when it comes to redeeming its unit-minute, Katz teach of the option of sending it to a bank account ( Col 8 line 1-5) for payee. Surely, at this stage the UMS 340 must know to whom the money must be credited to based on the bank account information, As far as ACH is concerned, the bank  
10 account must tally with the name of payer/payee or the transaction will fail. Therefore, the applicant respectfully submits that unless there is clear evidence to support the examiner's conclusion that a telco's database or its sidekick Katz database are inept in identifying its customers, then these claims must be allowed.

15

#### **Claims 44,45,46**

These claims deals with issuance of a receipt representative a prepaid card having at least  
20 a serial number by a POS connected to said server. To clarify, these claims are directed to a user purchasing a prepaid card at POS and which also issues a receipt representative of said prepaid card. User therefore receives a receipt plus a prepaid card. This is in case the user lost the prepaid card, he could still use it by referring to the receipt which bears a serial number connected to said prepaid card to cancel the card if the amount is still  
25 'floating' (ie before storing it).

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The examiner provided Item K & L at page 6 to show obviousness. The evidence in Katz as suggested by the examiner to be found at Col 7, lines 63, col 8 lines 2 and 15 and col 19 lines 17-24.

5 To restate these evidence, the applicant quotes the whole paragraph encompassing col 7, line 63 to col 8 line 15 for completeness as follows: "In a preferred embodiment, the system and method of the invention also provides a method for subscribers to access their "minute account" from any ATM or retail point-of-sale, POS terminal. In this method, the subscriber is issued a debit card associated with their prepaid minute account. This debit  
10 card is configured and functions in the same manner as traditional checking account based debit cards, except that in this case, withdrawals trigger a reduction of unit-minutes equivalent to the value of withdrawal. Integration between the system and POS/ATM networks requires that the system and its associated corporate owner become a member bank within the financial network. Membership typically entails meeting certain network  
15 guidelines concerning credit worthiness and financial liquidity. In addition such memberships usually entail that the member becomes a governmentally registered and regulated bank. In an embodiment where a non-financial network member implements the invention, it may be advantageous to partner with an existing financial network member. In this method of integration, the system's financial network interface would  
20 interface with the backend computer systems of the financial partner instead of directly with the financial networks."

The applicant respectfully submits that the above only shows POS being accessed by a debit card to check minute account. There is nothing to show printing a receipt  
25 representative of a prepaid card.

As for Col 19 lines 17-24, this is stated as follows: "Once this has been determined, UMACH 370 will send a message via UMACH TP interface 371 to bank computer

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system 377 requesting that it issue appropriate payment requests, via interbank financial network 365, to all members who owe unit-minutes to UMACH 370 network. This payment request is in the form of the currency equivalent of the owed unit-minutes and is directed to be made to a UMACH settlement account 385.”

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The examiner also reasoned “ Sending receipt to both the sender and receiver. This message may be sent in a number of formats.....facsimile message (Print) or text...., containing account/transaction ID”

- 10 It is clear the examiner is desperately trying to combine two different stages in Katz’s teachings, the first being to access minute account using a POS and the second UMACH performing a reconciliation between members’ unit minute accounts (similar to ACH) in sending receipts. Not only such combination is illogical, but the claimed invention also requires “...receipt representative of the prepaid card having at least a serial number”
- 15 which is not found in Katz. It is clear the receipt in Katz contains “account/transaction ID” for a past transaction while this claimed receipt represents at least a serial number of the prepaid card. As mentioned, the purchase of a prepaid card is used to load money into the system, hence a receipt is issued when a prepaid card is purchased (prior to any loading or transfer). This is in contrast to “account/transaction ID” of a past transfer of
- 20 funds in Katz where the claimed receipt merely represents details of the prepaid card in anticipation of a future transaction which is not taught by Katz.

The applicant respectfully ask the claims to be allowed.

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**Claims 48,49**

The examiner provided no mention directly to the elements found in both claimed invention.

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In particularly, these are addition elements over claim 13,34,39 includes :

A. ...having a payer created identifier different from source of funds;

B ....stored funds deposited without using a bank account;

10 C ....whereby payer and payee are two different persons.

As for A, the applicant submits that Katz fails to show this as the subscriber identifier is a phone number ( Col 7 line 6), it is unknown in the art whereby such telephone number is created by subscriber himself. (contrast from choosing or given a number by telco).

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As for B, the applicant submits that Katz teaches depositing using a bank account ( Col 13 line 52, Col 15 line 55- Col 16 line 30). Katz also provides using a credit card to purchase prepaid minutes. And even if all kind of funding facilities could be used including a prepaid calling card, one still must remember Katz teaches a telephony platform which must necessarily means its value must be stored as prepaid minutes and NOT stored funds.

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As for C, Katz also teach subscriber redeeming the unit-minutes himself which means it could be the same payer and payee even though in general the applicant concedes, the payer subscriber and payee subscriber should be different persons.

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Hence as far as A and B are concerned, the applicant submits Katz fails to show the elements and hence 103(a) was not made out by the examiner. As mentioned previously,

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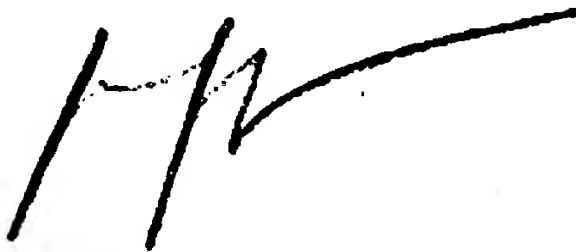
the examiner also failed to address the issue of payer created identifier different from the source of funds. For the same reasons, these claims should be in allowance.

**Claims 50,51,52**

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The examiner provided no mention of them based on the amendment in 22 July 2007 and in the rejection mailed July 9 2008 and 26 Nov 2008. Instead, the examiner continue to assume the old elements of “network is a telephone network”. Obviously Katz fails to show this as it teaches a prepaid CALLING card to make telephone calls and not a cash  
10 card as claimed. It is also well known that a credit or debit cards are NOT cash card. Similarly, the applicant respectfully ask these claims to be allowed.

15 Much Obligated,

A handwritten signature in black ink, appearing to be 'KH' followed by a long horizontal stroke.

Khai Kwan

20 Applicant